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September 30, 2004

Tracie Billington
Department of Water Resources
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Re: Comments on Integrated Regional Water Management Grant Program Draft Guidelines for Proposition 50, Chapter 8, August 2004

Dear Ms. Billington:

The State Coastal Conservancy (Conservancy) appreciates the opportunity to comment on the Integrated Regional Water Management Grant Program Draft Guidelines (Draft Guidelines) for Proposition 50, Chapter 8, and respectfully submits the following comments for your consideration.

Comment 1: Integrated Coastal Watershed Management Plans (ICWMPs) should not necessarily be required to meet all of the requirements of Integrated Regional Water Management Plans (IRWMPs).

Requiring ICWMPs to meet all of the requirements of IRWMPs may place an unnecessarily high burden on worthy applicants, particularly those with limited financial resources.

Public Resources Code Section 30947 (Integrated Watershed Management Program) states that funds may be used for the development of local watershed management plans that meet the requirements of subdivision (c) of Section 79078 of the Water Code. Water Code Section 79078 (c) defines a "Local watershed management plan" as a "document prepared by a local watershed group that sets forth a strategy to achieve an ecologically stable watershed, and that does all of the following:

- (1) Defines the geographical boundaries of the watershed.
- (2) Describes the natural resource conditions within the watershed.
- (3) Describes measurable characteristics for water quality improvements.

- (4) Describes methods for achieving and sustaining water quality improvements.
- (5) Identifies any person, organization, or public agency that is responsible for implementing the methods described in paragraph (4).
  - (6) Provides milestones for implementing the methods described in paragraph (4).
- (7) Describes a monitoring program designed to measure the effectiveness of the methods described in paragraph (4)."

These requirements are significantly less burdensome than those specified in the Draft Guidelines. Consequently, creation and implementation of certain beneficial coastal watershed management plans may effectively be prohibited or significantly delayed if ICWMPs are required to meet all of the requirements of IRWMPs.

Additionally, the Section II. D (Program Preferences) of the Draft Guidelines should include "creation and enhancement of wetlands" and "acquisition, protection, and restoration of open space and watershed lands" for applications for ICWMP development and implementation. Similarly, the selection criteria for ICMWP preparation and implementation should be weighted differently than those for IRWMPs.

Comment 2: The Draft Guidelines should specify that the Conservancy will participate in the evaluation of applications for preparation or implementation of ICWMPs, as well as IRWMPs in coastal watersheds.

California Water Code Section 79563.5 (b) states that integrated coastal watershed management plans shall be designed to allow for the integration of projects funded by the State Coastal Conservancy, and Section 79563.5 (c) states that the planning areas shall be selected by the board in consultation with the State Coastal Conservancy.

Section II. G of the Draft Guidelines states that ICWMPs should "if applicable, allow for integration with projects funded by the State Coastal Conservancy." This statement does not constitute adequate consultation with the Conservancy as specified in the Water Code. The Conservancy should be included in the review of proposals for development or implementation of ICWMPs.

Although the Department of Water Resources (DWR) and the State Water Resources Control Board (SWRCB) are not required to consult with the Conservancy on applications for IRWMP planning and implementation grants in coastal watersheds, the Conservancy requests this courtesy, as we have extensive experience in funding and managing coastal watershed projects.

The Conservancy would like to meet with DWR and SWRCB to discuss coordination among our agencies on this issue.

Comment 3: The Conservancy believes that the requirement in the Draft Guidelines that an IRWMP must be adopted by the governing bodies of all of the entities that participate in the development of the Plan is impracticable.

First, given that many entities that will participate in preparing an IRWMP do not have jurisdiction over many of the geographic areas covered by the IWRMP nor subject matter jurisdiction or expertise for all of the components/projects included in the IRWMP, it is extremely unlikely that their governing bodies would adopt the Plan in its entirety. (Does DWR and/or SWRCB intend to adopt the Plan at some point? Only these entities have the regional jurisdiction and programmatic breadth to do so.) A more practicable requirement, would be for a certain percentage (e.g. a majority) or certain types of the participants to provide evidence of a signed Memorandum of Understanding (MOU) or similar document that expresses agreement with the principles of the IRWRMP and a commitment to coordinate its activities in a manner consistent with the Plan and with those of other jurisdiction covered by the Plan. Alternatively, individual applicants could be required to provide support letters from key participants and to demonstrate that the jurisdictional authorities in the project area have adopted either relevant portions of the IRWMP or other planning documents that are consistent with the IRWMP.

Second, under the California Environmental Quality Act (CEQA), formal adoption of an IRWMP by a public agency would generally require that a lead agency first have prepared and certified a programmatic CEQA document covering the environmental effects of the IRWMP. The programmatic document would have to cover an assessment of all projects identified by the IRWMP at least to the extent that the projects are specifically proposed. Given that an IRWMP may identify many complex projects in a large region, compliance with CEQA for purposes of adoption would be an extremely long and costly process. Moreover, it would put an extreme burden on the public agency that takes on the "lead agency" role. It is possible that projects that are included in an IRWMP may never be implemented due to non-environmental (e.g., fiscal) constraints. Thus, the time and monies expended to demonstrate compliance with CEQA would be unwarranted. A more practicable requirement would be to use the MOU approach described above which does not commit the public entity to undertake any specific project and subsequently for that public entity to undertake CEQA review with respect to its specific project in connection with an application for an implementation grant.

My staff and I would welcome the opportunity to discuss these comments with you.

Sincerely,

Sam Schuchat Executive Officer